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E.O. 12958: N/A

TAGS: [PARM](#) [PREL](#) [CWC](#)

SUBJECT: CHEMICAL WEAPONS CONVENTION (CWC) - WRAP-UP FOR
SEPTEMBER 14-17 INDUSTRY CONSULTATIONS:

This is CWC-107-04.

SCHEDULE 1 "CAPTIVE USE"

11. (U) Delegations made little progress towards a draft decision on Schedule 1 "captive use." Germany presented a non-paper providing several examples of known processes where Schedule 1 chemical(s) were produced during the production of certain final products. France, Switzerland, Italy and the U.S. supported crafting decision language that would provide a consistent interpretation of the treaty text definition of production for all scheduled chemicals. Italy promised a paper for the next consultation. Canada and India continued to oppose this issue and do not see a need for such a decision. Both believe that the definition of production in Article II does not necessarily apply to Schedule 1 regimes. Canada further proposed the technical issue be referred to the Scientific Advisory Board (SAB) for further clarification. While there was no strong opposition to the idea, delegations felt that such a course of action was not necessary at this time. The facilitator proposed that delegates review the German non-paper and further study this issue in capitols prior to the next meeting in November.

OCPF SITE SELECTION

12. (U) Facilitator Johan Verboom (Netherlands), during his 21 September consultation, summarized the current state of play and advised delegations that he first planned to review the requirements of Verification Annex Part IX, paragraph 11, which provides the mandate for delegations' work before breaking down the discussion into four issues: equitable geographic distribution, Technical Secretariat information points, State Party nomination points, and proposals on how to combine the three factors, starting first with an initial TS proposal. Iran reminded delegations that discussion of

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paragraph 11 cannot happen in isolation: paragraphs 12 (no more than two inspections per year per site) and 13 (no more than 20 Schedule 3 facilities and OCPFs per country per year) set limits on the possible inspection burden borne by SPs.

13. (U) Russia began with a reminder that Moscow continues to have serious doubts about the Swiss/U.S. proposal, which it assesses is too complicated, too subjective, and too ambiguous. In addition, Moscow believes that the potential for collusion and lack of transparency is too high, and remains concerned that some States Party will make nominations inconsistent with the spirit of the CWC. No other delegation objected to Verboom's proposal for the current and future discussions.

14. (U) Theo Juurlink of the TS presented a possible TS approach to information points (FAXed back to AC/CB). This would involve determining the probability that each facility is relevant to the CWC and then selecting a random sample of 100 sites from the circa 4500 total, one point per site. The probability or relevance would be determined using either the A14 or a variant called the A14 plus which adds two new factors: D (declaration) which would be assigned a value of two if declarations are late or incomplete or one otherwise. The second is R (relevance) which would result in higher chance of inspections of highly relevant facilities (probability of inspection returns to original level within 5 years), no change for facilities of intermediate relevance (probability of inspection returns to original level within 10 years), and lower chance for less relevant facilities (probability of inspection returns to original level in 20 years). Juurlink noted that among the current OCPFs, 12% are classified as high relevance, 25% intermediate, and 63% low relevance.

15. (U) Delegations were most concerned about the TS

proposal to give each of 100 facilities just one point. Several suggested that the TS just compute the probability for all 4500 and use those instead, but Juurlink stressed that this would dilute the probability that individual facilities would be selected. No delegation argued against the two TS proposals. Instead, the discussion fell into the "there must be a better way to do this" category. Several delegations raised questions about how the TS defined a "late" or "incomplete" declaration. Juurlink replied that only initial declarations can be late, so there are very few that fall into this category. Amendments to initial declarations are not considered late. Juurlink further explained that only declarations lacking the information required for the A14 computation would be "incomplete." Delegations accepted this clarification without comment.

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16. (U) The facilitator divided the discussion into two parts: the draft Decision Paper and low concentration threshold. With regard to the draft, delegations agreed to remove paragraph 5 in the paper and add an additional reference to the Guidelines for Schedule 2. Otherwise the draft remained unchanged.

17. (U) PFIB was the focus of the latter debate. Japan and the UK presented non-papers outlining their respective positions and provided technical arguments for the proposed PFIB thresholds. Japan, Germany and the U.S. continued to support the current 30% concentration limit while Switzerland, Norway, Netherlands, Canada, Australia, and the U.K. favored a 0.5% limit. The U.S. reiterated it has yet to see any data that supports a PFIB proliferation risk of PFIB at concentrations below 30%.

18. (U) The facilitator acknowledged that PFIB technical discussions have been exhausted and suggested political considerations as a possible alternative option for future consultations. The Iranian delegate proposed that State Parties reassess ease of recovery as a way to resolve the low concentration limit. Delegates suggested that capitals review the two non-papers and provide feedback at the next meeting. Time did not permit discussion of low concentration limits for Amiton or BZ.

19. (U) The facilitator noted privately to del rep that the proposal to move Amiton to the list of Schedule 1 chemicals would not receive support by other delegations because it would require a technical amendment to the Convention.

SCHEDULE 2 FACILITY AGREEMENTS

10. (U) Facilitator Andrea Heinzer (Switzerland) held consultations on 15 September, beginning with a briefing how the TS intends to implement EC-37 instructions regarding Facility Agreements (FA). First, the TS analyzes declared sites, considering the complexity of the facility and the level and types of activities being conducted to determine whether current FAs under negotiation are required. Once this analysis is completed, the TS will contact the respective State Party outlining its intention for further discussion. So far, the TS had identified 21 State Parties with sites of interest, but only six State Parties have had such analyses completed.

11. (U) All delegations except the UK favor suspension of discussion on FAs. The UK suggested that delegations should consider instead holding discussions on the draft FA model, which it assesses is too complex. Delegations advised waiting until the TS concludes its analyses, at which point, State Parties will have the opportunity to evaluate the effectiveness of the TS approach.

ELECTRONIC INDUSTRIAL DATA DECLARATIONS

12. (U) Greg Linden, chief of the Information Services Branch (ISB), briefed delegations on the status of the Verification Information System, which will allow states to submit their declarations electronically. Linden assesses that the project is about halfway completed. The TS completed its assessments of the requirements needed for ensuring system security and is currently working on the technical development. Linden estimated that the system would be ready to receive electronic industrial data declarations by September 2005. Linden also announced the project will be transferred from ISB to the Verification Division. Ruth Mohlenkamp is the new team leader and will head a project team whose composition is still under discussion. VIS is now a core TS business operation and will appear as a new line item in the FY05 budget request.

HANDBOOK ON CHEMICALS

113. (U) Delegations finalized the report for EC-38, which recommends ways to make the handbook easier to use, such as marking of certain commonly declared Scheduled chemicals. The facilitator also introduced additional marking for chemical mixtures to help reduce mismatches when comparing export and import declarations. France suggested that the issue should be referred to consultation on clarification of declarations. Other delegations did not support the idea that additional markings would resolve the problem, and no specific agreement was reached.

114. (U) Ito sends.
SOBEL